

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of Northwestern ) Application No. NG-0048  
Corporation, d/b/a NorthWestern )  
Energy, Sioux Falls, South ) ORDER APPROVING LOAN  
Dakota, seeking approval of a ) FUND APPLICATION  
natural gas general rate increase )  
for Nebraska. ) Entered: November 6, 2007

**BY THE COMMISSION:**

On June 1, 2007, Northwestern Corporation, d/b/a NorthWestern Energy, (Northwestern), Sioux Falls, South Dakota filed an Application for Natural Gas Rate Increase (Application) under the State Natural Gas Regulation Act, Neb. Rev. Stat. § 66-1801 et seq. (2003) (the Act). The Application seeks to increase rates to customers located in North Platte, Kearney, Grand Island, and Alda.

In accordance with Neb. Rev. Stat. § 66-1838, Northwestern sought to negotiate the rate increase directly with the above-mentioned municipalities.

On October 24, 2007, the City of Grand Island, on behalf of all of the parties to an interlocal agreement, filed an application to the Municipal Rate Negotiations Revolving Loan Fund pursuant to Neb. Admin. Code, Title 291, Ch. 9, § 014.02 seeking funds in the amount of \$41,200.00.

O P I N I O N   A N D   F I N D I N G S

Pursuant to Neb. Admin. Code, Title 291, Ch. 9, § 014.01,

Only one loan shall be made for each rate filing made by a jurisdictional utility, as set forth in Neb. Rev. Stat. § 66-1839. No loan monies shall be distributed until the Commission has certified a rate case for negotiations pursuant to Neb. Rev. Stat. § 66-1838(6). Applications will only be accepted from cities which have adopted a resolution evidencing the intent to negotiate with the jurisdictional utility.

On July 24, 2007, the Commission entered an order certifying the case for negotiations pursuant to Neb. Rev. Stat. §66-1838(6) (2003).

The Village of Alda, the Kearney City Council, and the North Platte City Council each adopted resolutions in favor of negotiations with NorthWestern. However, the City of Grand Island did not initially vote in favor of negotiations. Subsequently, on August 28, 2007, the City of Grand Island approved an interlocal agreement with each of the other affected municipalities for the purposes of engaging in negotiations and to jointly apply to the

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Municipal Rate Negotiations Revolving Loan Fund to provide payment for costs associated with rate negotiations. A copy of each of these resolutions and a copy of the interlocal agreement has been provided to the Commission.

Although Commission rules state that applications to the Loan Fund will only be accepted from cities which have adopted a resolution evidencing the intent to negotiate with the jurisdictional utility, the Commission finds that Grand Island's decision to join in the interlocal agreement for its stated purpose provides sufficient evidence of its intent to negotiate. Furthermore, permitting Grand Island to be part of the application to the loan fund does not prejudice the other parties as each also voted in favor of the interlocal agreement. Therefore, the Commission finds that the rule requiring a resolution, should be waived.<sup>1</sup>

Based upon the above, the Commission finds that the loan application shall be granted in the amount of **\$41,200.00**. Payments shall be made upon invoice but shall not exceed the total approved herein.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission in the above-captioned matter that the application to the Municipal Rate Negotiations Revolving Loan Fund is approved in the amount of **\$41,200.00**.

MADE AND ENTERED at Lincoln, Nebraska, this 6th day of November, 2007.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:



//s// Rod Johnson  
//s// Frank E. Landis

Chairman



ATTEST:



Executive Director

<sup>1</sup> See *Jantzen v. Diller Telephone Company*, 245 Neb. 81, 511 N.W.2d 504 (1994).